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Subject: Reg Z - Truth in Lending

Comments:

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I am extremely concerned with the proposed changes regarding YSP. I understand the boards concern with the status quo, however the proposed changes will create an environment where: 1. The honest broker will either be driven out of business because of the increased paperwork, cost and risk or will choose to leave the business all together. 2. The consumer will have fewer choices, which will result in the consumer getting a higher interest rate. 3. The changes will not stop the dishonest broker from steering the consumer to a lender which pays the broker the highest compensation. The new GFE which is effective 1/1/10 requires that he YSP go to the consumer. This is a much better scenario for the consumer. If the consumer pays a higher rate (larger YSP), the consumer will reap the benefit of lower settlement fees. Although well intentioned, this new proposal will ultimately hurt the consumer by eliminating options which will result in higher cost.